

The present invention provides a method for tracking of digital assets within a system through the use of digital serial numbers. Systems equipped with the present invention can uniquely identify copies of assets within it. Assets that originate within the system can be uniquely identified even outside the system. Their transaction history within the system can be traced by looking up the transaction history associated with an assets' serial number. The serial number applied to an asset is unique to each transaction and applied at the time a copy is made. Database entries are created that link each unique serial number to aspects of the transaction. Each serial number references details about a particular transaction such as parties involved, date and time of copy, ownership, terms of use, and payment terms. Using the present invention any copy of an asset within the system can be copied to another part of the system as if it were the original and with the accompanying terms and conditions in effect for that original at the time of transfer. The serial number does not noticeably interfere with the intended usage of the asset. Serial numbers can be applied to any asset media type or format.